


CITY COUNCIL ACTION REQUEST

Department(s): Finance	CEQA: Not a Project, File No. PP10-066(a), Agreements and Contracts	Coordination: ESD, CAO, CMO - Budget Office. On August 14, 2014, the Treatment Plant Advisory Committee is scheduled to consider this item.	Dept. Approval: /s/ Julia H. Cooper
Council District(s): Citywide			CMO Approval: 

SUBJECT: EXECUTE A PURCHASE ORDER WITH MURPHY INDUSTRIAL COATINGS, INC.

RECOMMENDATION:

Authorize the City Manager to:

1. Execute a Purchase Order with Murphy Industrial Coatings, Inc. (Signal Hill, CA) for the coating and rehabilitation of five clarifier tanks at the San José-Santa Clara Regional Wastewater Facility ("Plant") for the period July 1, 2014 through June 30, 2015, in an amount not to exceed \$638,513;
2. Approve a 10% contingency for a not-to-exceed amount of \$63,851 to execute change orders for any unforeseen changes or requirements that may arise prior to the completion of services; and
3. Exercise up to four additional one-year options to renew the purchase order through June 30, 2019 to provide coating and rehabilitation services for additional clarifier tanks as required for scheduled maintenance, subject to the annual appropriation of funds.

Desired Outcome: Increase the life expectancy of the metal components within the clarifier tanks, thereby increasing the useful life of the tanks.

BASIS FOR RECOMMENDATION:

Clarifier tanks are an essential part of the Plant operations, and are used to separate biomass solids from the processed liquids, leaving clean water for use in the recycled water service district. There are a total of forty-two Clarifier tanks at the Plant. As part of ongoing maintenance at the facility, it is required that these tanks be rehabilitated and painted on a ten year cycle.

On April 29, 2014, the Finance Department released a Request for Bid (RFB) for the rehabilitation of five clarifier tanks at the Plant. A total of sixty-six companies viewed the RFB; thirteen companies attended the mandatory pre-bid conference/site visit at the Plant, and seven bids were received by the May 29, 2014 deadline. Murphy Industrial Coatings, Inc. submitted the lowest bid for the initial five tanks, as well as option pricing for additional tanks. No protests were received during the protest period which ended on June 9, 2014.

Office of Equality Assurance: Living Wage or Prevailing Wage, whichever is higher, is applicable to work under this purchase order.

This Council item is consistent with Council approved Budget Strategy General Principle #2: "We must focus on protecting our vital core City services for both the short and long-term".

COST AND FUNDING SOURCE:

Fund #	Appn #	Appn. Name	Total Appn.	Amt. for Recommendation	2014-2015 Proposed Operating Budget Page	Last Budget Action (Date, Ord. No)
513	0762	ESD Non- Personal/Equipment Appropriation	\$31,337,798	\$702,364	XI-81	06/17/14 Ord. No. 29431

FOR QUESTIONS CONTACT: Mark Giovannetti, Deputy Director of Finance at 408-535-7052